

Message Text

CONFIDENTIAL

PAGE 01 MANILA 15085 260216Z

67

ACTION EB-07

INFO OCT-01 EA-06 ISO-00 IO-10 AGR-05 CIAE-00 COME-00

INR-05 LAB-04 NSAE-00 RSC-01 SP-02 STR-01 TRSE-00

SWF-01 CIEP-01 FRB-01 OMB-01 L-02 /048 W

----- 034125

R 240904Z DEC 74

FM AMEMBASSY MANILA

TO SECSTATE WASHDC 9384

C O N F I D E N T I A L MANILA 15085

E.O. 11652: GDS

TAGS: ETRD, RP

SUBJECT: BILATERAL CONSULTATIONS ON A MULTIFIBER TEXTILE
AGREEMENT

REF: STATE 273325

1. GOP NOTIFIED BY NOTE OF USG PROPOSAL REFTEL WHICH FOLLOWED UP BY TELECONS WITH KEY OFFICIALS DECEMBER 20 AND 23. MATTER STILL BEING DISCUSSED INTERNALLY AMONG TRADE, INDUSTRY AND FINANCE DEPARTMENTS, BUT PRELIMINARY REACTION GOP, AS CONVEYED BY FIN SEC VIRATA TO ECONOMIC/COMMERCIAL COUNSELOR, IS THAT PROPOSAL DECIDEDLY PREMATURE FROM FILIPINO VIEWPOINT. ALTHOUGH MATTER HAS BEEN UNDER DISCUSSION FOR SOME DAYS, ODDS ARE A FORMAL RESPONSE WILL NOT EMERGE BEFORE THE NEW YEAR.

2. IN TALK DEC 23, VIRATA EXPLAINED THAT FILIPINOS HAVE ESSENTIALLY FOUR CONCERNS ABOUT A POSSIBLE MFA. FIRST IS THE PROSPECTS OF BEING FROZEN AT A LOW LEVEL ON SYNTHETICS VIS A VIS JAPAN, TAIWAN, KOREA OR HONG KONG. GOP HOPED TO ACHIEVE A RESPECTABLE TRADE POSITION IN THIS REGARD; SECOND CONCERN, THEREFORE, IS THAT PHILIPPINES RETAIN REASONABLE ROOM TO DEVELOP A BASE, "NOT THE SAME AS KOREA AND THE OTHERS, BUT MORE ROOM TO MANEUVER". THIRD, AS EARLIER INDICATED, IS INTEREST
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MANILA 15085 260216Z

IN REVISING CERTAIN CATEGORIES WITHIN HEAVILY UNDER-

UTILIZED COTTON TEXTILE QUOTA TO PERMIT GREATER SHIPMENTS. FOURTH IS AN OFT-EXPRESSED DESIRE TO OBTAIN EXEMPTION OF U.S. ORIGIN MATERIALS FROM QUOTA CALCULATION. ECON/COMMERCIAL COUNSELOR SUGGESTED THAT ALL OF THESE WERE PROPER SUBJECTS FOR CONSULTATION EVEN THOUGH OUR CAPACITY TO DEAL WITH SOME, E.G., U.S. ORIGIN MATERIALS, MAY NOT PROVE BROAD ENOUGH. IT WAS NOTED THAT PHILIPPINES WAS ONLY REGIONAL EXPORTER TO U.S. WITH WHICH WE DID NOT HAVE MFA, AND IN TIME OTHERS WOULD NO DOUBT OBJECT AS WELL AS POSSIBLY SEEK PHILIPPINE LOOPHOLE -- A PROBLEM TO WHICH VIRATA FULLY SENSITIVE. VIRATA SAID HE WOULD DISCUSS U.S. PROPOSAL WITH HIS COUNTERPARTS AND GIVE EMBASSY A REACTION SOON.

3. COMMENT. LIST OF GOP WORRIES ABOUT CONSULTATION IS NOT NOVEL, BUT VIRATA REFLECTS IN HIS PRESENTATION OF THEM A FIRM FILIPINO BELIEF THAT THE PROPOSAL IS PREMATURE. FILIPINOS DO NOT SEE THEMSELVES NOW OR IN INDEFINITE FUTURE AS A SIGNIFICANT SOURCE OF PROBLEMS FOR U.S. AT THE SAME TIME, VIRATA POINTS TO THE FACT THAT PRINCIPAL EXPORTERS ARE AMERICAN FIRMS (BABY TOGS, ETC.). HE SUGGESTS THAT SUCH FIRMS OUGHT TO BE ABLE TO MAKE THEIR OWN PEACE (SIC) WITH THEIR HOME MARKET. (THIS ONLY A LITTLE TONGUE IN CHEEK).

4. GIVEN THE NEAR TOTAL CLOSE DOWN OF OFFICIAL ACTIVITY FROM NOW TO JANUARY 6, WE DO NOT PROMISE EARLY WORD OF PHIL RESPONSE. THEIR RESPONSE OBVIOUSLY WILL NOT VIEW A MFA WITH ANY GREAT GLEE. THUS, IF WE HAVE SOME LEEWAY ON THEIR MAIN CONCERNS IT WOULD BE WORTHWHILE TO INDICATE THAT, ESPECIALLY IF WE ARE SERIOUS ABOUT TALKS ON THE SUGGESTED SCHEDULE. AS A FINAL THOUGHT, IT IS QUITE POSSIBLE THAT WITH ENACTMENT OF THE TRADE BILL WE WILL ENCOUNTER SCHEDULING PROBLEMS, SINCE OVERALL ECONOMIC TALKS CAN WELL BE SCHEDULED FOR THAT PERIOD.

5. PLEASE ADVISE.
SULLIVAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TEXTILES, AGREEMENTS, COTTON, NEGOTIATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 24 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: shawdg
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974MANILA15085
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740374-0804
From: MANILA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741212/aaaaakfg.tel
Line Count: 98
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 74 STATE 273325
Review Action: RELEASED, APPROVED
Review Authority: shawdg
Review Comment: n/a
Review Content Flags:
Review Date: 09 AUG 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09-Aug-2002 by worrelsw>; APPROVED <20 MAR 2003 by shawdg>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BILATERAL CONSULTATIONS ON A MULTIFIBER TEXTILE AGREEMENT
TAGS: ETRD, RP, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005